



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 6, 2005

S. 518

National All Schedules Prescription Electronic Reporting Act of 2005

*As ordered reported by the Senate Committee on Health, Education, Labor, and Pensions
on May 25, 2005*

S. 518 would authorize the Secretary of Health and Human Services to make grants to states to establish electronic database systems for monitoring the dispensing of controlled substances. The database would be used to identify, and report to appropriate authorities, the potential unlawful diversion or misuse of a controlled substance.

The bill would authorize the appropriation of \$15 million in each of fiscal years 2006 and 2007, and \$10 million a year for fiscal years 2008 through 2010. Assuming appropriation of those amounts, and based on spending patterns for similar programs, CBO estimates that implementing S. 518 would cost \$52 million over the 2005-2010 period. Enacting S. 518 would have no effect on direct spending or revenues.

S. 518 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. It would establish a grant program for states to monitor controlled substances and to notify authorities when they suspect that controlled substances are being improperly dispensed or used.

The CBO staff contact for this estimate is Shinobu Suzuki. This estimate was approved by Peter H. Fontaine, Deputy Assistance Director for Budget Analysis.